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# Typical Dental Insurance Plan

## Type I

These benefits include **Preventive and Diagnostic Procedures** such as: **Oral Exams, Cleanings and X-rays.**

Benefits are usually paid at **100%** without a deductible.

## Type II

These benefits include **Minor Restorative Procedures** such as: **Fillings, Anesthesia, Oral Surgery and Extraction's.**

Benefits are usually paid at **80%** with a deductible.

## Type III

These benefits include **Major Restorative Procedures** such as: **Crowns, Bridges, Dentures, Root Canals, Periodontal and Endodontic.**

Benefits are usually paid at **50%** with a deductible.

## Type IV

These benefits include **Orthodontic Procedures.**

Benefits are usually paid at **50%** with a deductible.

## Overall Benefits and Maximums

Maximum benefits are usually **\$1,000.00** annually.

Orthodontic Procedures usually have a lifetime maximum of **\$1,000.00** and it's own lifetime deductible.

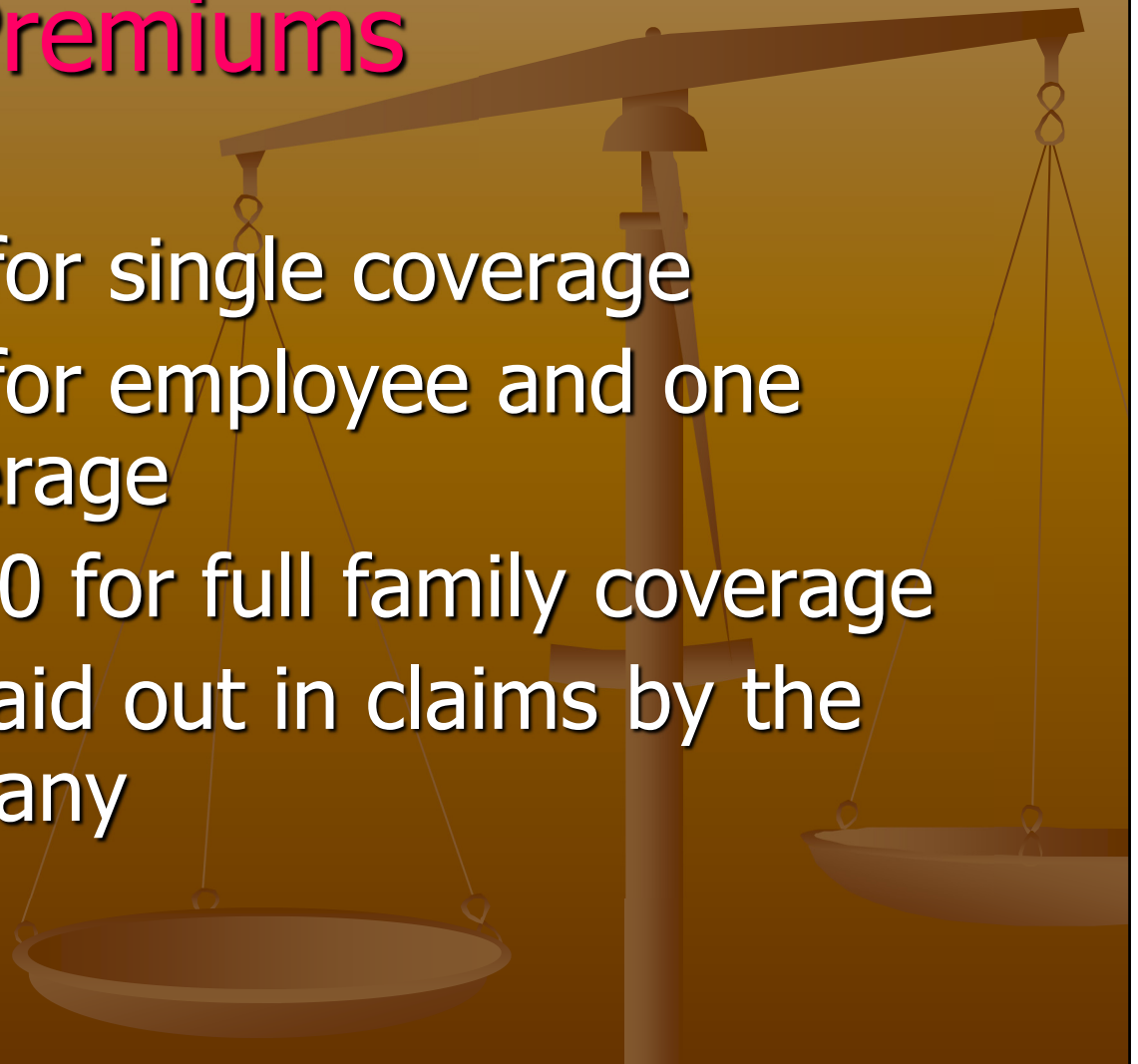
Deductibles are usually **\$50.00** annually per person.

Dependent children (if elected) are eligible until age **19** or age **23** if a full time student.

# Typical Dental Insurance Plan

## Premiums

- \$45.00-\$50.00 for single coverage
- \$80.00-\$90.00 for employee and one dependent coverage
- \$120.00-\$150.00 for full family coverage
- About 50% is paid out in claims by the insurance company



# **There is an alternative!**

## **Direct Reimbursement Plans (DRP)**

- Recommended by the ADA (1986)
- Valparaiso School Corp. and Jay County School Corp.
- Mobil Oil and Marriott Corp. (1996)
- Eastman-Kodak and Olan Mills Studios (1998)



# What is a **DRP**?

- Direct Reimbursement Plans are an innovative approach to self-funding dental benefits.
- Available to either small or large groups.
- DRPs are flexible and are designed to you, the employer's, needs.
- You see the dentist of your choice.
- The employee is reimbursed to the benefit levels that you determine as the employer.

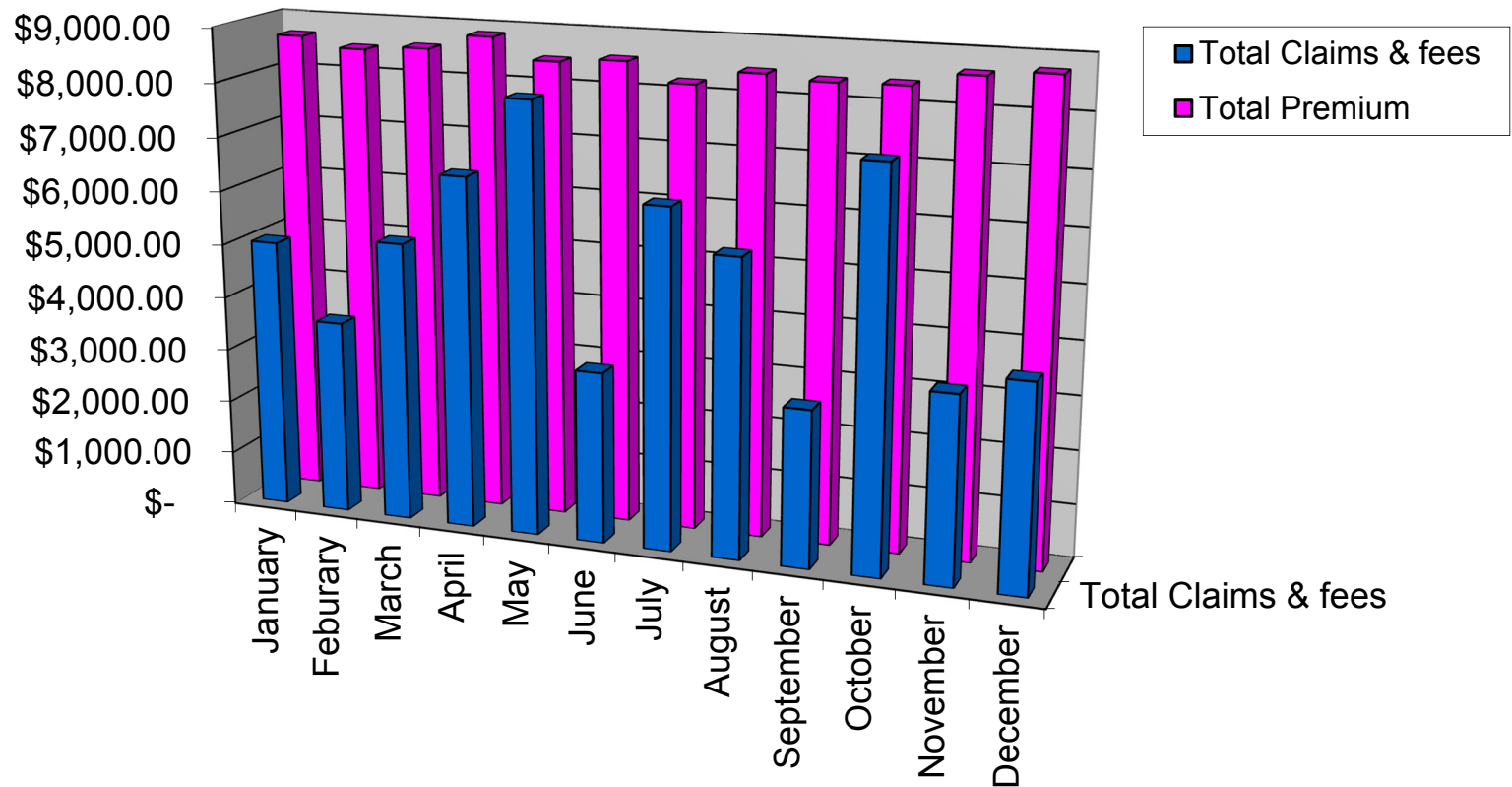
# Example #1

**This example is a company in northern Indiana and has been a SERCO client since July of 1996. Average enrollment in the Plan is about 115 employees per month with approximately 50 being single and 65 family. Schedule of Benefits is as follows:**

- Preventive and diagnostic **Type I** - 100% with no deductible
- Minor restorative **Type II** - 75% with a \$50.00 deductible
- Major restorative **Type III** - 50% with a \$50.00 deductible
- Maximum Annual Benefit is \$1,000.00 per person per year.
- Orthodontic Procedures **Type IV** - 50% with a lifetime benefit of \$1,000.00

**For a group this size an insurance premium of \$102,360.00 would have been paid for the year (based on a conservative premium of \$40.00 single and \$100.00 family per month). Obviously they didn't pay a premium because they had a DRP instead, therefore the total that was paid for the DRP (claims and administration fees) in 2005 came to \$60,941.32 for a savings of 43%.**

## Example #1



# Example #2:

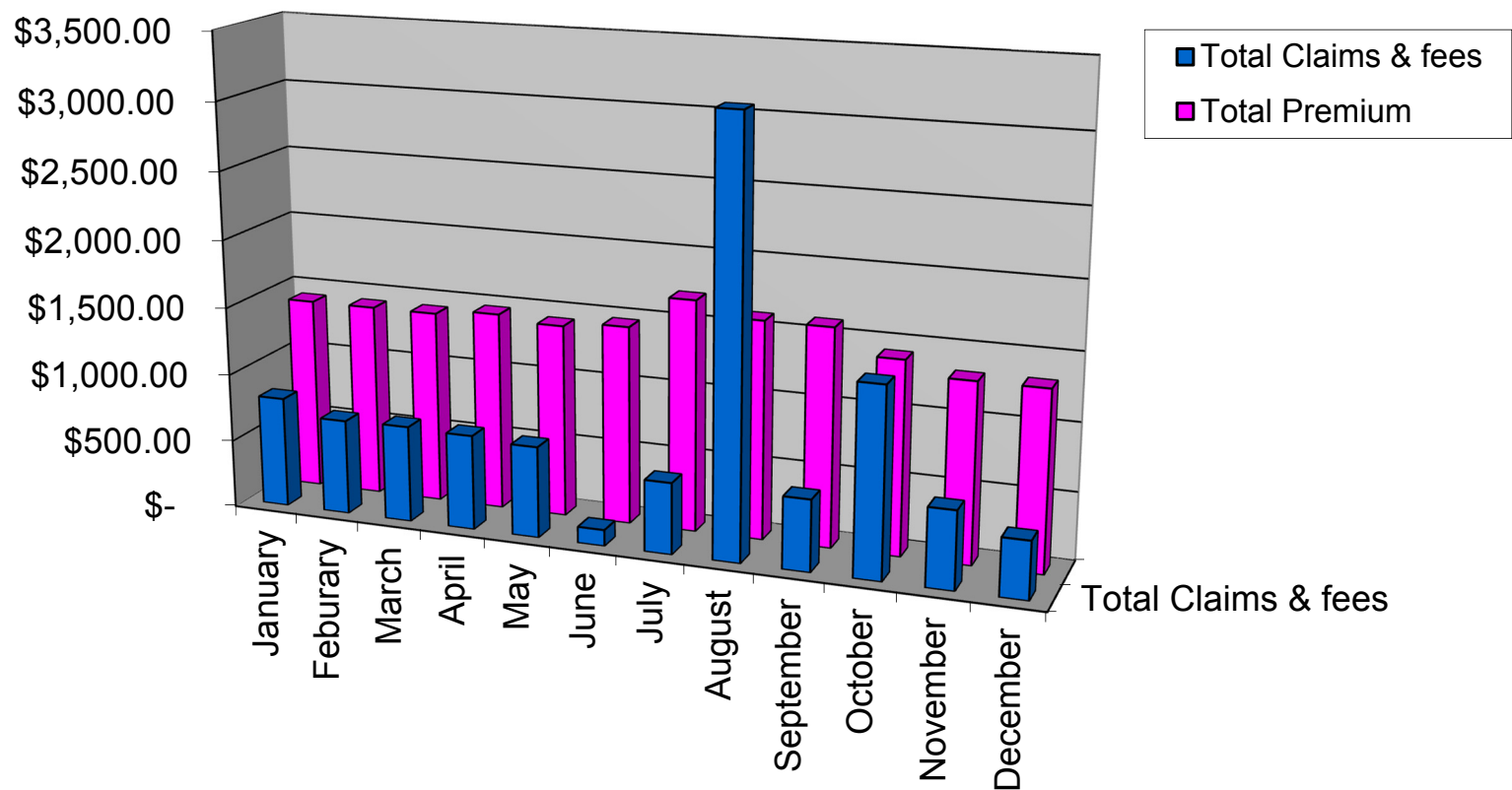
**This example is a company in the northern Indiana area and has been a SERCO client since July of 1992. Average enrollment in the Plan is about 17 employees per month with approximately 4 being single and 13 family. Schedule of Benefits is as follows:**

- Preventive and diagnostic **Type I** - 100% with a \$25.00 deductible
- Minor restorative **Type II** - 80% with a \$25.00 deductible
- Major restorative **Type III** - 50% with a \$25.00 deductible
- Maximum Annual Benefit is \$1,000.00 per person per year
- .
- Orthodontic **Type IV** - 50% with a lifetime benefit of \$1,000.00

**For a group this size an insurance premium of \$17,560.00 would have been paid for the year (based on a conservative premium of \$40.00 single and \$100.00 family per month). Obviously they didn't pay a premium because they had a DRP instead, therefore the total that was paid for the DRP (claims and administration fees) in 2005 came to \$10,302.50 for a savings of 44%.**



## Example #2



***Front side of card***



**SERCO**

**Direct Reimbursement Dental Plan**

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**This dental Plan is an Employer sponsored Direct Reimbursement Program administered by SERCO. All Plan Payments will be made directly to the Employee.**

**Providers please send claims to SERCO within 90 days of service. Employers name must be in the Employers name and address box for identification. Group Numbers are not used. SERCO's address is on the reverse side of this card.**

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***Reverse side of card***

Your Dental Plan has no restrictions as to which Dentist you may go to as long as that Dentist is a properly licensed person who is a dentist and who is rendering services and treatment within the scope of his/her licensure and training.

All questions about plan description or claim processing may be directed to:

SERCO

234 W. LaSalle Ave.

Mishawaka, IN 46545

Phone:(574)286-5106

Employer name, Employees name, Claimant name, Dates of birth, and address must be provided by the Employee.

# Filing a Claim

- Show the doctor's office your ID card
- Tell the doctor's office to file the claim with SERCO
- Claim is filed by the provider of service
- SERCO processes the claim
- The check is attached to SERCO's EOB and sent or given to the employee

# Plan Outline

The Direct Reimbursement Plan is broken into four (4) groups of benefits called Types I, II, III & IV.

## Type I

These benefits include **Preventive** and **Diagnostic Procedures** such as: **Oral Exams, Cleanings and X-rays.**

Benefits may be paid at **50% to 100%** with or without a deductible.

## Type II

These benefits include **Minor Restorative Procedures** such as: **Fillings, Anesthesia, Oral Surgery and Extraction's.**

Benefits may be paid at **50% to 100%** with or without a deductible.

## Type III

These benefits include **Major Restorative Procedures** such as: **Crowns, Bridges, Dentures, Root Canals, Periodontal and Endodontic.**

Benefits may be paid at **50% to 100%** with or without a deductible.

## Type IV

**These benefits include Orthodontic Procedures.**

**Benefits may be paid at 50% to 100% with or without a deductible.**





# Overall Benefits and Maximums

- Maximum benefits may range from **\$500.00** to **\$2,000.00** annually.
- Orthodontic Procedures may have a lifetime maximum and/or it's own lifetime deductible.
- Deductibles may range from **\$25.00** to **\$100.00** annually per person.
- Dependent children (if elected) are eligible until age **19** or age **23** if a full-time student.
- Waiting periods or probationary periods may end on the first of the month following 30 days to 1 year and may be applied to Type I, II, III or IV individually or overall.
- **You may receive treatment from any properly licensed person who is a dentist and who is rendering services and treatment within the scope of his/her licensure and training.**
- Claims must be filed with **SERCO Administrators** within 90 days of the date charges were incurred to be processed.
- All reimbursements and payment of claims will be paid to the employee not to the provider of service.



**SERCO**

- SERCO has been in business since 1990.
- Mike Bratcher, the founder of SERCO, has had the knowledge and expertise of administering Direct Reimbursement Dental Plans (DRP), as far back as 1986.
- Our years of experience and excellent customer service has ranked as one of the finest administrators of DR Plans.
- We can show you another option, with possibly better service and also save you money in the process. DRP's have worked for countless employers.
- We can design the program to any specifications you may require.
- We can design the program to look and work in the same way as the plan you now have in force.
- We could have your DRP plan up and running within days.



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